Motor Branch of the Mysore Government Insurance Department and Re-insurance arrangement with the other Companies.

*Q.—70. **Sri K. PUTTASWAMY** (Mysore District—General).— Will the Government be pleased to state :—

(*a*) the volume of business so far done since the commencement of Motor Insurance Department;

(*b*) the number of claims which have been preferred so far;

(*c*) the amount of claims paid;

(*d*) whether there was any occasion for such company or companies with which there is re-insurance arrangement to share the compensation arising out of the claims preferred?

A.—**The Hon'ble Sri H. C. DASAPPA** (Minister for Finance and Industries).—

(*a*) Business to the extent of Rs. 12,10,328-14-0 has been done.

(*b*) 353.

(*c*) Rs. 74,517-13-9.

(*d*) Yes.

Sri K. PUTTASWAMY.—The figures furnished in the answer show that there was no necessity for re-insuring. But still why was this re-insurance arrangement entered into with other Companies?

The Hon'ble Sri H. C. DASAPPA.—Re-insuring is one of the well-known methods of minimising risks of any one company.

Sri K. PUTTASWAMY.—Has the Insurance Department been put to any loss so far?

The Hon'ble Sri H. C. DASAPPA.—None at all.

Sri K. PUTTASWAMY.—Then, where was the necessity for reinsuring?

The Hon'ble Sri H. C. DASAPPA.—Reinsuring is one of the accepted modes of minimising risks. If per chance there were to be more accidents and more claims, the risks will be shared and it is always considered that there is safety in re-insuring.

Sri K. PUTTASWAMY.— What is the name of the other company or companies?

The Hon'ble Sri H. C. DASAPPA.—So far as the Motor Insurance is concerned, it is 'Vanguard Insurance Company, Ltd.

Sri K. PUTTASWAMY.—Will you kindly tell us the economic stability of this company? Is it more stable than the Government Insurance Department?

The Hon'ble Sri H. C. DASAPPA.—There is no question of stability arising in the case of re-insurance. A number of companies get together and there is this reciprocal arrangement of re-insurance to minimise risks.

Sri K. PUTTASWAMY.—You said there is reciprocity : has there been any such reinsurance with our Insurance Company?

The Hon'ble Sri H. C. DASAPPA.—We have not chosen to ask for it.

Sri G. A. ACHARYA (Bangalore District—General).—Is it not a fact that by the introduction of this motor business, the revenues of our Insurance Department have increased?

The Hon'ble Sri H. C. DASAPPA.—The figures are so eloquent.

Sri G. A. ACHARYA.—My point is that the introduction of this motor business has added more to the general revenues, is it not?

The Hon'ble Sri H. C. DASAPPA.—Not exactly. Government have the advantage of using the money for ways and means.

Sri G. A. ACHARYA.—What is the principle of reinsurance in these companies?

The Hon'ble Sri H. C. DASAPPA.—It is advantageous because it minimises risk.

Sri D. H. CHANDRASEKHARAIYA (Chitaldrug District-General).—What is the commission that the company gets on account of this re-insurance arrangement?

The Hon'ble Sri H. C. DASAPPA.—A fraction of the premiums that we get are made over to them.

Sri D. H. CHANDRASEKHARAIYA.—Will they not get any money by way of commission from the Government of Mysore for doing this business?

The Hon'ble Sri H. C. DASAPPA.—No question of commission.

Sri D. H. CHANDRASEKHARAIYA.—What was the difficulty for the

(SRI D. H CHANDRASEKHARAIYA.)

Government Insurance Department not to carry on this motor business on their own account without making arrangements like this with any other company ?

The Hon'ble Sri H. C. DASAPPA.— It is not like that. There is nothing wrong in such an arrangement. And it is not that we cannot carry on this motor business ourselves. But small arrangement is usually done in the case of motor insurance. Just as the other Governments, Travancore and Cochin have entered into the arrangement of re-insurance, we have also done more or less the same arrangement.

ಶ್ರೀ ಬಿ. ಹುಚ್ಚೇಗೌಡರು (ತುಮಕೂರು ಜಿಲ್ಲೆ).— ಈ ಇಷ್ಯೂರೆನ್ಸ್ ಬಿಸಿನೆಸ್‌ಗೆ ಇಂಡಿಯಾದ ಇಷ್ಯೂರೆನ್ಸ್ ಆಕ್ಟ್ ಅನ್ವಯಿಸುತ್ತದೆಯೇ ?

The Hon'ble Sri H. C. DASAPPA.— Whether it has been extended or not, I want notice.

ಶ್ರೀ ಬಿ. ಹುಚ್ಚೇಗೌಡರು.—ಪ್ರೈವೇಟ್ ಮೋಟಾರು ಇಷ್ಯೂರೆನ್ಸ್ ಮಾಡುತ್ತಾರೆಯೇ ?

The Hon'ble Sri H. C. DASAPPA.— I should think so.

ಶ್ರೀ ಬಿ. ಹುಚ್ಚೇಗೌಡರು.—ಮೋಟಾರು ಇಷ್ಯೂರೆನ್ಸ್ ಬ್ಯಾಂಚು ಇದಕ್ಕೆ ಸಂಬಂಧಪಟ್ಟ ಸಮಿತಿಯ ಅಧಿಕಾರಕ್ಕೆ ಒಳಪಟ್ಟಿದೆಯೇ ?

The Hon'ble Sri H. C. DASAPPA.— I am not sure; may be.

Sri B HUTCHE GOWDA.—It is an administrative matter.

The Hon'ble Sri H.C. DASAPPA.— I want notice. I said in answer to this very question last time that for some time the Public Branch was looking after motor insurance business. Now I am not sure.

ಶ್ರೀ ಬಿ. ಹುಚ್ಚೇಗೌಡರು.—ಒಂದು ವೇಳೆ ಅರೀತಿ ಇಲ್ಲವಾದ್ದರೆ ಆ ಸಮಿತಿಯು ಅಧಿಕಾರಕ್ಕೆ ಒಪ್ಪಿಸುತ್ತೀರಾ ?

The Hon'ble Sri H. C. DASAPPA.— We will consider.

Sri H. M. CHANNABASAPPA (Mysore District—General).— Are there any other companies also which take up this business ?

The Hon'ble Sri H. C. DASAPPA.— May be.

Sri H. M. CHANNABASAPPA.—Had the Government made enquiries before they insured in the Vanguard Insurance Company ?

The Hon'ble Sri H. C. DASAPPA.— No.

Sri H. M. CHANNABASAPPA.—What special features are there in particular for insurance in the Vanguard Insurance Company ?

The Hon'ble Sri H. C. DASAPPA.— They had entered into a similar agreement with the Travancore Government Insurance Department and they approached the Mysore Government. The terms were examined and since they were found very desirable we entered into an agreement with them.

Sri H. M. CHANNABASAPPA.—Have the Government taken care to see whether better terms are obtaining with other companies ?

The Hon'ble Sri H. C. DASAPPA.— So far as I can see, no better terms have been offered.

Sri H. M. CHANNABASAPPA.—Have the Government made any effort to find out whether better terms were offered by any other company ?

The Hon'ble Sri H. C. DASAPPA.— Notice.

Sri H. M. CHANNABASAPPA.—Shall I take it that they have not made any efforts ?

The Hon'ble Sri H. C. DASAPPA.— Notice.

Sri H. SIDDANANJAPPA (Hassan District—General).—Does re-insurance cost anything to the department ?

The Hon'ble Sri H. C. DASAPPA.—I have answered that. A fraction of the premiums that we receive are made over to them.

Sri H. SIDDANANJAPPA.—Is it possible to say how much it costs ?

The Hon'ble Sri H. C. DASAPPA.— Notice.

Mr. SPEAKER.—Next question.

Purchase of Chemicals and Fertiliser plant at Bhadravati.

*Q.-195. **Sri V. M. MASCARENHAS** (Retroceded Area—General).—

Will the Government be pleased to state :—

(*a*) if definite orders have been placed for the Chemicals and Fertiliser Plant at Bhadravati ;